

VZCZCXYZ0001
PP RUEHWEB

DE RUEHTV #0602/01 0711019
ZNR UUUUU ZZH
P 121019Z MAR 09
FM AMEMBASSY TEL AVIV
TO RUEHC/SECSTATE WASHDC PRIORITY 0951
RHEHAAA/WHITE HOUSE WASHDC PRIORITY
RHEHNSC/WHITE HOUSE NSC WASHDC PRIORITY
RUEAIIA/CIA WASHDC PRIORITY
RUEKJCS/SECDEF WASHDC PRIORITY
RUEAHQA/HQ USAF WASHINGTON DC PRIORITY
RUEADWD/DA WASHDC PRIORITY
RHMFIUU/CNO WASHINGTON DC PRIORITY
RHEFDIA/DIA WASHINGTON DC PRIORITY
RUEKJCS/JOINT STAFF WASHDC PRIORITY
RUEHAD/AMEMBASSY ABU DHABI PRIORITY 5143
RUEHAS/AMEMBASSY ALGIERS PRIORITY 1740
RUEHAM/AMEMBASSY AMMAN PRIORITY 5638
RUEHAK/AMEMBASSY ANKARA PRIORITY 5951
RUEHLB/AMEMBASSY BEIRUT PRIORITY 5180
RUEHEG/AMEMBASSY CAIRO PRIORITY 3681
RUEHDM/AMEMBASSY DAMASCUS PRIORITY 5988
RUEHLO/AMEMBASSY LONDON PRIORITY 2811
RUEHFR/AMEMBASSY PARIS PRIORITY 1021
RUEHRB/AMEMBASSY RABAT PRIORITY 9730
RUEHRO/AMEMBASSY ROME PRIORITY 7231
RUEHRH/AMEMBASSY RIYADH PRIORITY 2193
RUEHTU/AMEMBASSY TUNIS PRIORITY 6232
RUCNDT/USMISSION USUN NEW YORK PRIORITY 8270
RUEHJI/AMCONSUL JEDDAH PRIORITY 1060
RUEHJM/AMCONSUL JERUSALEM PRIORITY 1642
RHMFISS/CDR USCENTCOM MACDILL AFB FL PRIORITY
RHMFISS/COMSOCEUR VAIHINGEN GE PRIORITY
RHMFIUU/COMSIXTHFLT PRIORITY

UNCLAS TEL AVIV 000602

STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM
NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA
HQ USAF FOR X0XX
DA WASHDC FOR SASA
JOINT STAFF WASHDC FOR PA
CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR
COMSOCEUR VAIHINGEN GE FOR PAO/POLAD
COMSIXTHFLT FOR 019

JERUSALEM ALSO ICD
LONDON ALSO FOR HKANONA AND POL
PARIS ALSO FOR POL
ROME FOR MFO

SIPDIS
E.O. 12958: N/A
TAGS: [OPRC](#) [KMDR](#) [IS](#)

SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

- [1](#)1. U.S.-Israel Relations
- [1](#)2. Mideast
- [1](#)3. FAA Downgrading of Israeli Aviation Status

Key stories in the media:

The media quoted Likud sources as saying that Justice Minister

Daniel Friedmann will probably lose his job in the new government. According to the sources, PM-designate Benjamin Netanyahu and Yisrael Beiteinu leader Avigdor Lieberman yesterday tentatively agreed to name Prof. Yaakov NeQeman as the next justice minister. NeQeman was justice minister and subsequently finance minister in the first Netanyahu government. HaQaretz reported that, although it received five major portfolios in the coalition deal, Yisrael Beiteinu has apparently made far-reaching compromises in its demands pertaining to state and religion. Lieberman has reportedly backed down from most of his demands for a civil marriage law, a solution to the conversion problem, and changing the system of government. Shas mouthpiece Yom Leyom predicts that Netanyahu will declare that he will set up a narrow government for a defined amount of time.

The Jerusalem Post and HaQaretz reported that Secretary of State Hillary Clinton made clear during her visit to the region last week that a Palestinian unity government that does not recognize Israel, renounce terrorism, or accept previous Israeli-Palestinian agreements is one that the U.S. will not be able to accept. The newspapers quoted senior diplomats as saying yesterday that Clinton "reiterated" during her visit that the "Quartet and the Arab League are in agreement" that those three principles are ones that Hamas would have to adopt in order for there to be engagement with Hamas. The diplomatQs comments come amid attempts by some European countries to look for ways to circumvent the international community's three benchmarks that for the most part have kept the world from dealing with Hamas. Leading media quoted Syrian President Bashar Assad as saying in an interview that appeared yesterday in the Japanese newspaper Asahi Shimbun that Syria could conduct direct peace negotiations with Israel if the U.S. acted as a mediator.

Israel Radio reported that Ofer Dekel, PM Ehud OlmertQs point man on the prisoner issue, is extending his current mission in Egypt. The radio quoted senior Israeli defense sources as saying that, although no breakthrough has been achieved in the matter of Gilad ShalitQs release, lively negotiations are continuing. HaQaretz quoted a senior Israeli diplomatic source as saying that the goal of DekelQs mission is to try to reduce gaps between the prisonersQ list presented by Israel and the one demanded by Hamas. Yediot quoted sources in Cairo as saying that Israel is willing to release some of the prisoners on HamasQs list, provided they are expelled aboard, but not to the territories. Maariv reported that five senior cabinet members demanded to review the prisonersQQ list, saying that the deal should not be left in the incoming governmentQs hands. Maariv reported that National Infrastructure Minister Benjamin Ben-Eliezer told the Shalit family that a majority of ministers will approve the deal. Maariv reported that a mass demonstration in favor of ShalitQs release will take place near OlmertQs official residence in Jerusalem tomorrow. Maariv printed a call by Gilad ShalitQs mother Aviva imploring Olmert to make a Qbold decision. Yediot reported that Olmert wrote a bereaved father who asked him not to release terrorists that he is opposed to Qtotal surrender.

The Jerusalem Post and HaQaretz reported that yesterday, in a message posted on the Foreign Policy blog The Cable, Charles QChas Freeman blamed the Israel lobby, "clearly intent on enforcing adherence to the policies of a foreign government," for stoking the controversy that led him to withdraw his name as chairman of the National Intelligence Council (NIC). Reporting that pro-Israel groups that opposed FreemanQs appointment openly welcomed the news that he would not be taking the post, The Jerusalem Post also presented opinions that the affair could turn into a Pyrrhic victory for Israel supporters.

All media (lead stories in The Jerusalem Post and Makor Rishon-Hatzofe) reported that almost 16 years after Israel's Supreme Court overturned his conviction and life sentence for war crimes and crimes against humanity at the Treblinka death camp, German prosecutors yesterday charged retired Ohio autoworker John Demjanjuk with more than 29,000 counts of accessory to murder during his time as a guard at the Nazis' Sobibor death camp, and will seek his extradition from the US. The Jerusalem Post quoted Efraim Zuroff, the Qtop Nazi hunterQ at the Simon Wiesenthal Center, as saying in Jerusalem: "We're on our way to a victory for justice today,"

Yediot reported that Israel will return to the PA weapons that the IDF took away from Palestinian security apparatuses during Operation

Protective Shield. The newspaper reported that a diplomatic source in Jerusalem linked the gesture to Secretary Clinton's visit to the region.

Maariv reported on a disagreement between Israel and the U.S. regarding the imminence of the nuclear threat from Iran. The newspaper quoted Maj. Gen. Amos Yadlin, head of IDF Intelligence, as saying that Iran is stockpiling hundreds of kg of uranium. Maariv quoted U.S. intelligence as saying that Iran needs one to six years to produce enough uranium to produce one nuclear weapon, but that it does not intend to pursue this course. HaQaretz reported that Iran has increased its investments in oil-producing Latin American countries in order to counter the extension of international sanctions against it. The newspaper reported that Iran is about to inject hundreds of millions of dollars into Ecuador's energy projects. HaQaretz cited the Foreign Ministry's concern about the growing pro-Iranian axis in South America. The newspaper cited the ministry's hope that the Obama administration will overturn the negative trend undertaken during George Bush's administration.

HaQaretz quoted Finance Ministry Director-General Yarom Ariav as saying yesterday in an interview with Bloomberg that the GOI could well run a deficit equivalent to 6% of GDP this year.

HaQaretz reported that the Defense Ministry is urging Lockheed Martin to subcontract work on the future F-35 jet fighter to Israeli companies, including Israel Aerospace Industries, Israel Military Industries, and Rafael. The Israeli companies could build parts for the plane, electronic systems, and so forth.

1. U.S.-Israel Relations:

Summary:

Shmuel Rosner wrote in the popular, pluralist Maariv: A government of right-wingers and religious will not be able to hide behind the [Israeli] ambassador [to the U.S.] -Q even if he comes from the secular Left -Q but it will have to get his help to clarify that the Israeli devil is not so terrible.

Block Quotes:

"Selling Netanyahu"

Shmuel Rosner wrote in the popular, pluralist Maariv (3/11): QKnowing that what the [new Israeli ambassador] says represents the prime minister is important to Washington.... Netanyahu and Lieberman will have a tough image problem from the very first working day of [the Israeli ambassador]. Thus it is important that the person holding the job be experienced enough to begin working immediately, without an extended adjustment period. A government of right-wingers and religious will not be able to hide behind the ambassador -Q even if he comes from the secular Left -Q but it will have to get his help to clarify that the Israeli devil is not so terrible. This will be particularly important while working with a Democratic administration many officials of which do not view Netanyahu as their favorite leader.

2. Mideast:

Summary:

Liberal columnist Larry Derfner wrote in the conservative, independent Jerusalem Post: QIf we're willing to free 220 killers to get Gilad Shalit back, why not 450?.... Now is not the time to say Qwe don't make deals with terrorists,Q because we do.

Block Quotes:

"Time to Pay Hamas's Price"

Liberal columnist Larry Derfner wrote in the conservative, independent Jerusalem Post (3/12): QOf Hamas's [list of] 450 [prisoners it wants released], the government has signed off on 220. And that's where the negotiations are stuck. So the question is this: If we're willing to free 220 killers to get Gilad Shalit back, why not 450? What risk would we be taking by freeing 450 terrorists that we wouldn't be taking by freeing 220? What principle would we be violating that we haven't already violated? Some very strong arguments have been made against the idea of freeing terrorists -- certainly large numbers of them -- in return for one Israeli hostage. Maybe that's the policy the government should follow -- after Shalit is back home. But it's not a policy to suddenly invoke after pursuing the opposite course for nearly three years, a course that has had an unbearably tantalizing, maddening effect on Shalit's family and, to a much lesser but still very significant extent, on the entire nation. There's no telling what effect it's had on Gilad Shalit himself. So now is not the time to say Qwe don't make deals with terrorists,Q because we do.... If the government balks now, if it refuses to give up 450 killers when it's already agreed to give up 220, this will all have been a long, torturous tease -- of Gilad Shalit, of his family, of the whole nation. Enough. Bring him home. Before it's too late. We have nothing more to lose, and we have a soldier's life to gain.

13. FAA Downgrading of Israeli Aviation Status:

Summary:

HaQaretz editorialized: QA mere three months ago, the Federal Aviation Authority of the United States announced that it was downgrading Israel's aviation safety rating.... [Transportation Minister Shaul Mofaz] must demand fast and thorough action to eradicate the lawlessness in the air and save Israel's civil aviation from international ostracism and collapse.

Block Quotes:

"Anarchy in the Air"

HaQaretz editorialized (3/12): QThe serious findings by the Transportation Ministry's chief air accident investigator with regard to ultra light aircraft, as reported yesterday in HaQaretz, add weight to the grave picture regarding the safety of civilian aviation in Israel. The investigator found that for the past ten years, modern and advanced ultra light aircraft have been added to the flight sector that do not meet the required standards and are prone to accidents.... Light planes received flight permits from the licensing department in the [Israeli] Civil Aviation Authority Qby various and unacceptable means that contradict the requirements of the law.Q Moreover, in view of the close ties between the supervisors and those being supervised, local permits are issued on the basis of the supervisors' goodwill and without any clear policy dictated from above. A mere three months ago, the Federal Aviation Authority of the United States announced that it was downgrading Israel's aviation safety rating. Two weeks ago, the European aviation authorities stated they were stepping up the safety tests for Israeli air companies in the wake of the American report. The international organization monitoring scheduled flights warned that Israeli airlines would soon be forbidden to land in Europe or even to over-fly the continent. The responsibility for this grave situation with regard to civil aviation in all its forms lies with Transportation Minister Shaul Mofaz. He must begin to do his job. He must give full backing to Giora Rom, the head of the Civil Aviation Authority, and demand of him fast and thorough action to eradicate the lawlessness in the air and save Israel's civil aviation from international ostracism and collapse.

CUNNINGHAM